

DEPARTMENT OF MANAGEMENT AND BUDGET

**REPORT ON THE
SITE PREPARATION
ECONOMIC DEVELOPMENT FUND**

Prepared for the Legislature
As required by Section 1302 of Public Act 297 of 2005

December 28, 2006

In May 2000, the former Department of Community Health, Ypsilanti Regional Psychiatric Hospital was declared an economic development site by the State Budget Director and the Michigan Economic Development Corporation (MEDC) governing board. This is the only site that has been declared eligible for funding from the Site Preparation Economic Development Fund.

Section 1302 authorized a cash advance of not more than \$25 million for site preparation expenditures on eligible economic development sites. Through September 30, 2006, a total of \$9,861,889.66 was expended from the fund.

In FY2006 the Ypsilanti Regional Psychiatric Hospital was sold. Public Act 326 of 2004 authorized reimbursement, from the sale proceeds, for any costs to the state associated with the sale of the property. A reimbursement of \$9,861,889.66, equal to the amount of expenditures, was deposited into the site preparation economic development fund, restoring cash for future advances.